

ORIGINAL

Before the  
COPYRIGHT ROYALTY JUDGES  
Washington, D.C.

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JUL 02 2008

Copyright Royalty Board

In the Matter of )  
)  
)

MECHANICAL AND DIGITAL )  
PHONORECORD DELIVERY RATE )  
ADJUSTMENT PROCEEDING )  
)  
)  
)  
)

Docket No. 2006-3 CRB DPRA

**REDACTION LOG FOR THE PROPOSED FINDINGS OF FACT  
OF THE RECORDING INDUSTRY ASSOCIATION OF AMERICA, INC.**

Pursuant to the requirements of the Judges' March 13, 2007 Protective Order, the Recording Industry Association of America, Inc. ("RIAA") hereby submits the following list of redactions from its Proposed Findings of Fact, and the undersigned certify, in compliance with 37 C.F.R. § 350.4(e)(1), and based on the declaration submitted herewith, that the listed redacted materials meet the definition of "Restricted" contained in that Order.

<u>Paragraph</u>	<u>General Description</u>
¶ 75	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners.
¶ 205	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning internal SONY BMG figures relating to employee reductions
¶ 222 & n.5	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Shout! Factory's profits margin and breakdown of expenditures as a percentage of revenue
¶ 225	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Shout! Factory's expenditures on mechanical royalties as a percentage of revenue

## ATTACHED NOTES

original

<u>Paragraph</u>	<u>General Description</u>
¶ 260	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Atlantic Records' album level expenditures and profits
¶ 270	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning the identity of EMI's principal retail accounts
¶ 271	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning the identity of SONY BMG's principal retail accounts
¶ 275 & PFF Figure 16	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning trends in EMI's wholesale discounts
¶ 318	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning UMG's digital distribution cost and EMI's digital distribution cost
¶ 333	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning EMI's ringtone profitability
¶ 339 & PFF Figure 26	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning the identity of EMI's principal internal digital systems
¶ 340 & PFF Figure 27	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning the value of EMI's digital expenditures
¶ 342	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning UMG's digital distribution cost and EMI's digital distribution cost
¶ 384	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 385	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 387	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 389	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 390	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners

<u>Paragraph</u>	<u>General Description</u>
¶ 396	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning UMG's share of payments to HFA and WMG's share of payments to HFA
¶ 401	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 409	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 413	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 414	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 414	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning trends in EMI's profit margins
¶ 419	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 421	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 436	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 437	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 439	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 443	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 450	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 452	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning the value of UMG's A & R expenditures
¶ 453	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning the value of UMG's A & R expenditures

<u>Paragraph</u>	<u>General Description</u>
¶ 455	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning the value of EMI's A & R expenditures
¶ 457	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Atlantic's album level expenditures
¶ 459	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning WMG's album level expenditures and profits
¶ 463	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 466	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 467	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
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¶ 476	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 480	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 481	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners

<u>Paragraph</u>	<u>General Description</u>
¶ 482	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 507	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 525 & PFF Figure 54	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 530	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 586	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 620	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by RIAA concerning sensitive commercial information relating to SONY BMG's business negotiation strategy
¶ 636	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning SONY BMG, UMG, and WMG effective mechanical royalty rates
¶ 637	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 653	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning rates paid for first use by SONY BMG and UMG
¶ 657	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning rates paid for first use by SONY BMG and UMG
¶ 925	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning the percentage of UMG revenues represented by ringtones
¶ 930	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 968	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 969	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 973	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners

<u>Paragraph</u>	<u>General Description</u>
¶ 991	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 992	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 993	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 995	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 998	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1001	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1005	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1006	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1012	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1016	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1018	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1020	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1021	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1023	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1025	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1032	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning UMG and WMG's share of royalty payments made through the Harry Fox Agency

<u>Paragraph</u>	<u>General Description</u>
¶ 1137	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Shout! Factory's profit margins and expenditures as a percentage of revenues
¶ 1138	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Shout! Factory's profit margins and mechanical royalties as a percentage of revenues
¶ 1140	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Shout! Factory's album-level profit margins under various formats
¶ 1141	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Shout! Factory's expenses and margins
¶ 1142	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Shout! Factory's profit margins and mechanical royalties as a percentage of revenues
¶ 1186	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1188	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1306	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Sony BMG expenditures on the design and development of artist websites
¶ 1307	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Concord Records' marketing and A & R expenditures
¶ 1308	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Concord Records' expenditures
¶ 1315	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1315	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning UMG's A&R expenditures



<u>Paragraph</u>	<u>General Description</u>
¶ 1316	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1324	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning trends in EMI's profit margins
¶ 1333	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1334	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1352	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning SONY BMG digital-related expenditures
¶ 1353	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning EMI's digital-related expenditures
¶ 1407	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning SONY BMG's antipiracy expenditures
¶ 1460	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Shout! Factory's profits margins and expenditures as a percentage of revenues
¶ 1461	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning Shout! Factory's profit margins and mechanical royalty payments as a percentage of revenues
¶ 1470	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1493	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1494	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1495	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1498	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners

<u>Paragraph</u>	<u>General Description</u>
¶ 1500	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1580 & Figure 69	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the RIAA concerning EMI's expenditures and margins as a percentage of revenues at various price points
¶ 1625	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1801	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
¶ 1812	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
Table A	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners
Table B	Information admitted as Restricted by the Court pursuant to the Protective Order upon request by the Copyright Owners

Before the  
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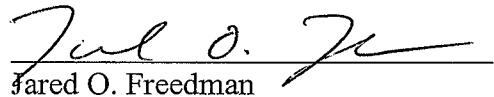
Docket No. 2006-3 CRB DPRA

**DECLARATION AND CERTIFICATION OF JARED O. FREEDMAN**

I am counsel for the Recording Industry Association of America, Inc. ("RIAA") in Docket No. 2006-3 CRB DPRA and authorized to submit this declaration in support of RIAA's Proposed Findings of Fact.

I am familiar with the materials contained in RIAA's Proposed Findings of Fact and have reviewed the Redaction Log (attached hereto) containing a list of the redacted material in the Proposed Findings of Fact. At the time this declaration was made, to the best of my knowledge, information, and belief, the information that has been designated as Restricted Information in the Proposed Findings of Fact has been found by this Court to have met the definition of "Restricted" information set out in Paragraph 2 of the March 13, 2007 Protective Order issued by the Court.

Pursuant to 28 U.S.C. § 1746, I hereby declare under penalty of perjury that the foregoing is true and correct.

  
Jared O. Freedman

Executed on: July 2, 2008

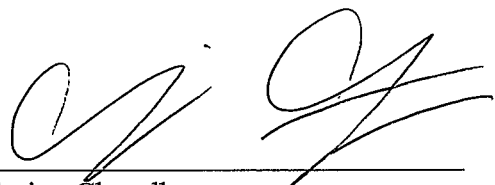
CERTIFICATE OF SERVICE

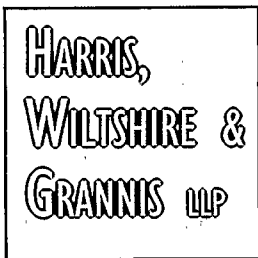
I hereby certify that on the 2nd day of July 2008, I caused a true and correct copy of the foregoing **Redaction Log and Declaration in Support** in 2006-3 CRB DPRA to be served upon the following electronic mail and by UPS overnight delivery:

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ATTORNEYS AT LAW

July 3, 2008

**By Hand Delivery, Overnight FedEx, and First-Class Mail**

Ms. LaKeshia Brent  
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James Madison Memorial Building, LM-401  
101 Independence Avenue S.E.  
Washington, DC 20059-6000

*In the matter of Mechanical and Digital Phonorecord Delivery  
Rate Adjustment Proceeding, 2006-3 CRB DPRA*

To the Copyright Royalty Judges:

The Digital Media Association ("DiMA") hereby submits an original, five copies, and a copy on CD of the PUBLIC version of the "Proposed Findings of Fact of the Digital Media Association ("DiMA") and its Member Companies AOL, LLC; Apple Inc.; MediaNet Digital, Inc.; and RealNetworks, Inc." DiMA filed the RESTRICTED version on July 2, 2008.

We have enclosed one additional copy for date-stamping. Please do not hesitate to contact me if you have any questions or concerns regarding the foregoing or the enclosed materials. Thank you.

Very truly yours,

Kelley A. Shields

Enclosures

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